



***Fiscal 2003 AgExport Projected at  
\$57.5 Billion, up \$4 Billion from 2002  
(FY 2002 Export Forecast Unchanged at \$53.5 Bil)***

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***Quarterly Export Forecasts for  
Agricultural, Fishery & Forest Products***

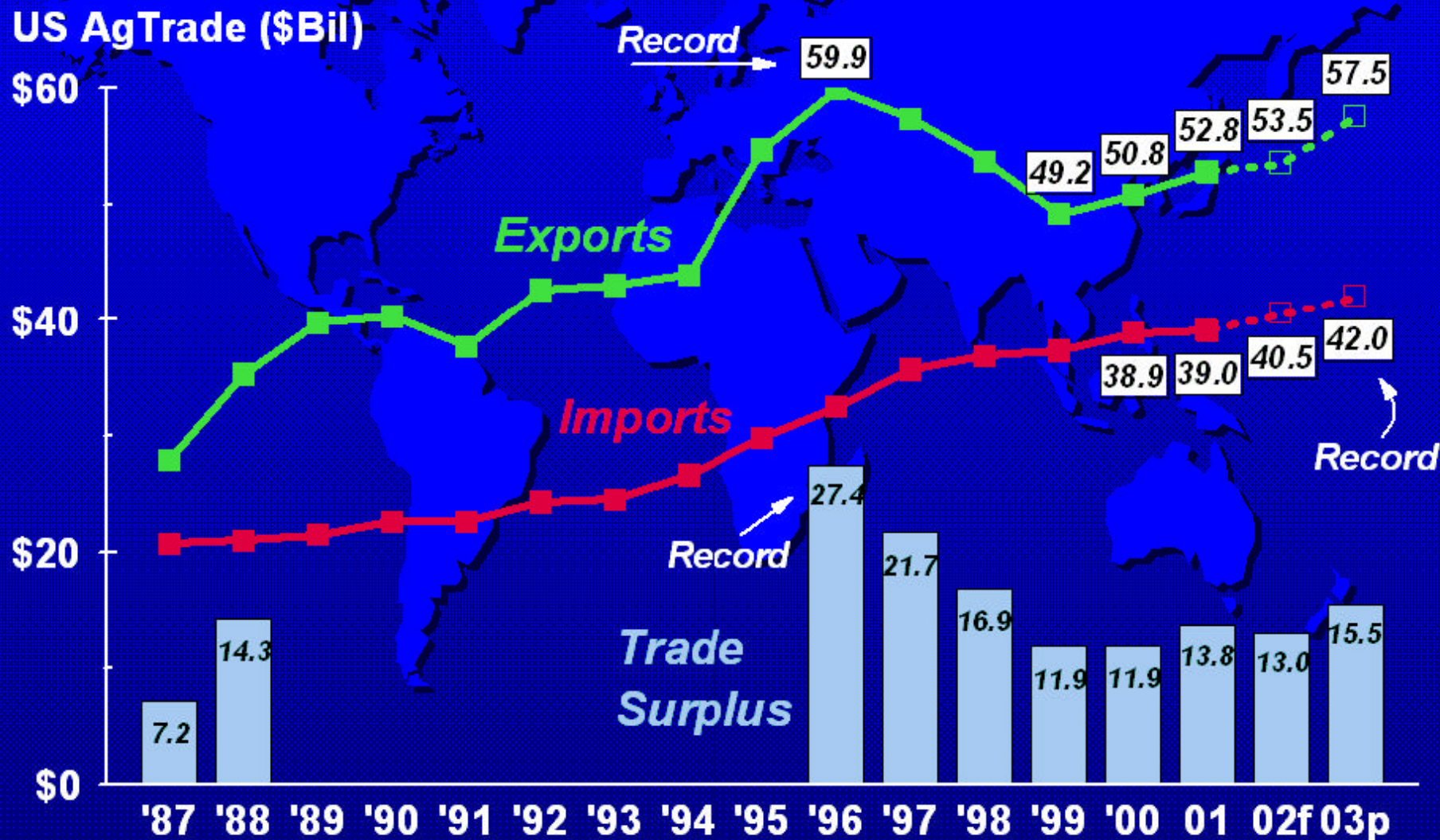
***USDA's "Outlook for US Agricultural Trade"  
was released to the public on August 29, 2002***

***CMP/FAS/USDA***



# U.S. Agricultural Trade

*Fiscal 2003 exports projected to reach \$57.5 billion; surplus at \$15.5 billion. Export gains from 2002 to 2003 mostly due to stronger grain & oilseed prices and modest volume gains for meats and horticultural products.*





# Summary of Major Changes

## Fiscal 2002 to 2003

Unit =\$ Bils	Aug FY '02 Forecast	Aug FY '03 Forecast	Chg	Main Reason
<b>Wheat/Flour</b>	<b>3.5</b>	<b>4.0</b>	<b>0.5</b>	(+) price — smallest US crop in 30 yrs
Rice	0.7	0.7	0.0	
<b>Corn</b>	<b>4.7</b>	<b>6.2</b>	<b>1.5</b>	(+) vol & price — competition (Arg) & ample supply
<b>Feeds</b>	<b>2.6</b>	<b>2.9</b>	<b>0.3</b>	(+) price — prices of other proteins rise
Soybeans	5.4	5.4	0.0	higher price offsets lower volume
Soymeal	1.3	1.3	0.0	
Soybean Oil	0.4	0.6	0.2	
Beef & Pork	4.8	4.9	0.1	
Hides & Skins	1.8	1.8	0.0	
<b>Broiler Meat</b>	<b>1.5</b>	<b>1.7</b>	<b>0.2</b>	(+) volume — Russia and other key markets
Dairy Prods	1.0	1.1	0.1	
<b>Cotton</b>	<b>2.3</b>	<b>2.7</b>	<b>0.4</b>	(+) vol & price
<b>Hort Prods</b>	<b>11.2</b>	<b>11.5</b>	<b>0.3</b>	(+) vol/some prices — global demand/exchg rate
Fishery Prods	3.0	3.1	0.1	
Wood Prods	4.8	4.7	-0.1	



# Export Outlook for Grain & Feed

Revised Forecast for FY 2002:  \$100 Million to \$14.1 Billion  
Initial Projection for FY 2003: \$16.5 Billion

## Initial FY 2003 Projections

### Key Upside Developments

- Smallest US wheat crop in 30 yrs and smaller wheat crops in Canada & Australia boost price
- US corn export volume up due to reduced competition w/ Argentina

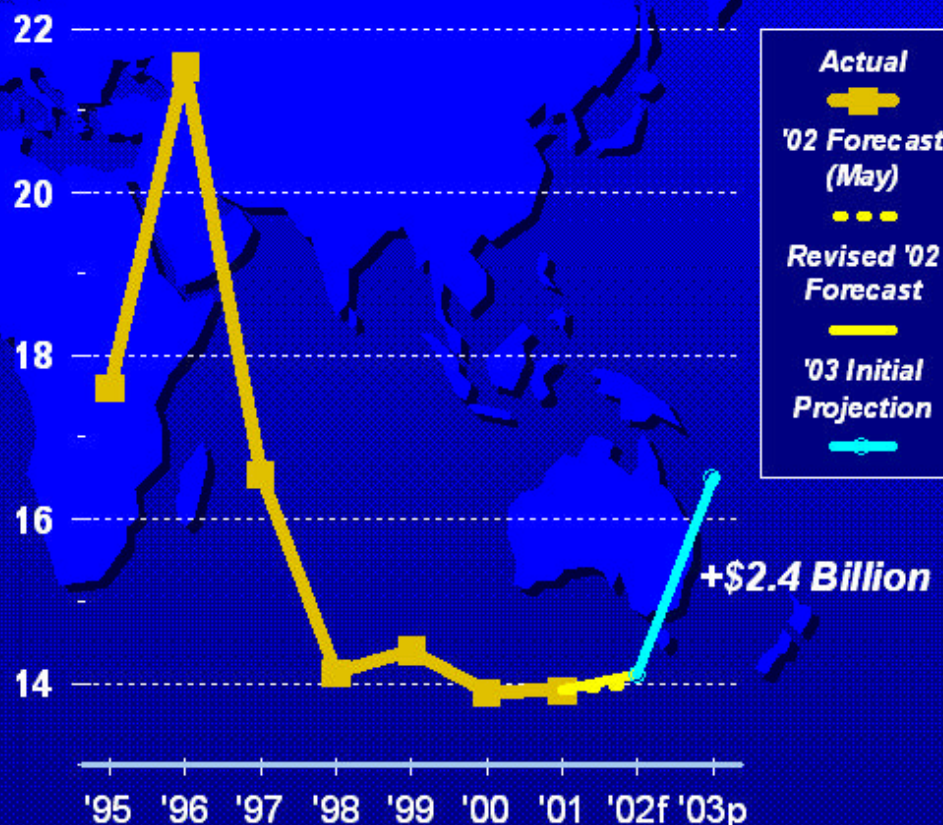
### Key Downside Developments

- Strong wheat exports from EU and Black Sea region

### Wild Cards

- High grain prices could dampen demand; large feed wheat supply overhanging market may slow price gains
- China's grain trade; EU export aggressiveness
- Argentina's troubles

U.S. Grain & Feed Exports (\$Bil)





# Export Outlook for Oilseeds & Products

Revised Forecast for FY 2002:  400 Million to \$9.6 Billion

Initial Projection for FY 2003: \$9.8 Billion

## Revised FY 2002 Forecast

### Key Developments

- Record US soybean exports
- Slow SAmerican exports raise carry-out

## Initial FY 2003 Projections

### Key Upside Developments

- Low US supply boosts soybean prices to 5-year high
- Soyoil exports reach 5-yr high

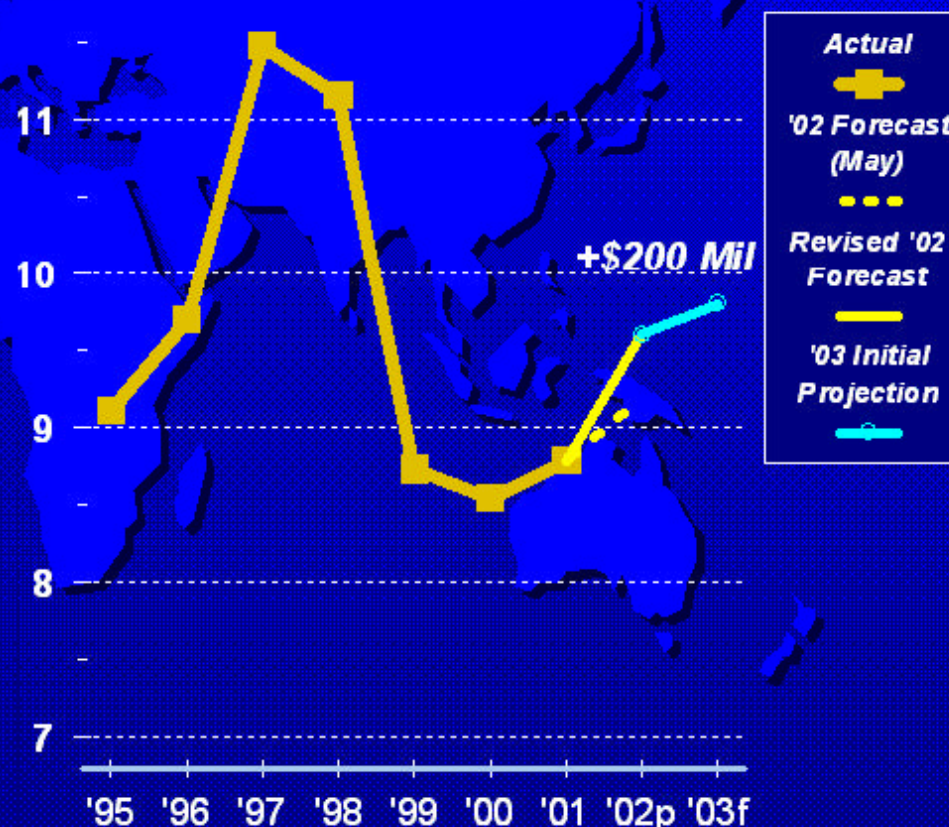
### Key Downside Developments

- Larger SAmerican carry-in should curb US soybean exports
- Higher prices to boost output

### Wild Cards

- Chinese & Indian imports
- SAmerican crop size

US. Oilseed & Prod Exports (\$Bil)



Note: Excludes corn gluten feed/meal



# Export Outlook for Cotton & Linters

Revised Forecast for FY 2002:

Steady at \$2.3 Billion

Initial Projection for FY 2003:

\$2.7 Billion

## Initial FY 2003 Projections

### Key Upside Developments

- Large US crop in 2002/03
- Smaller crops in other exporting countries
- Prices strengthen somewhat

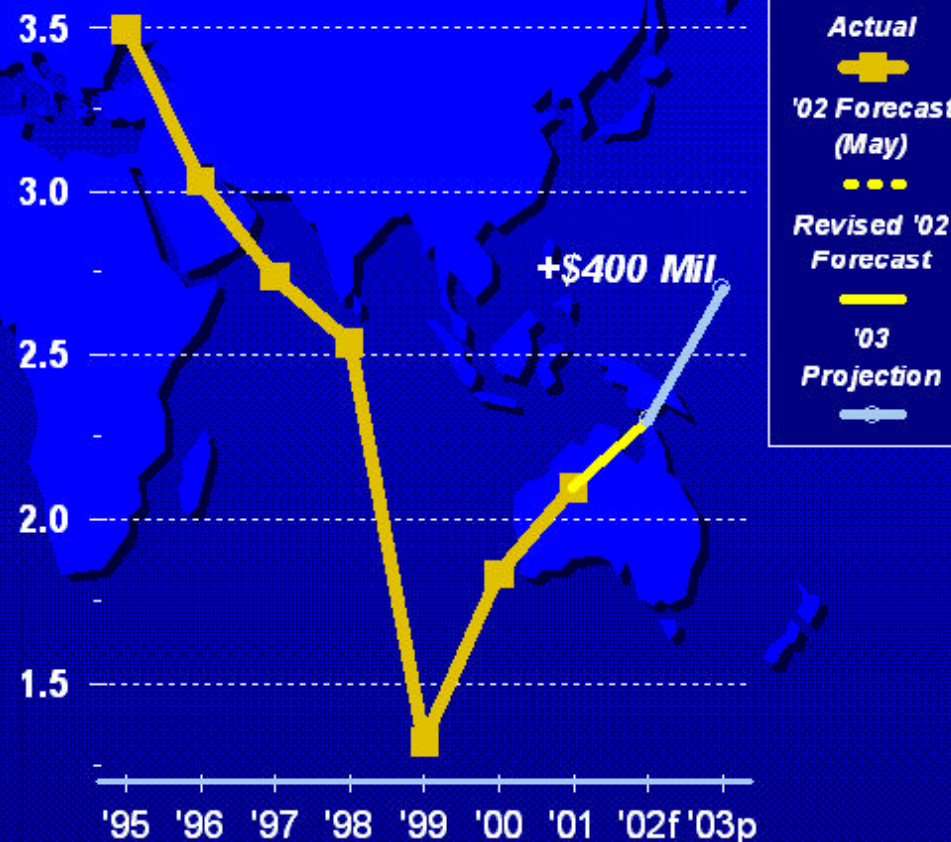
### Key Downside Developments

- None

### Wild Cards

- China WTO implementation
- SHemisphere price response

U.S. Cotton Exports (\$Bil)





# Export Outlook for DL&P Products

Revised Forecast for FY 2002:  \$200 Million to \$12.1 Billion

Initial Projection for FY 2003: \$12.6 Billion

## Revised FY 2002 Forecast

### Key Downward Developments

- Reduced poultry exports to Russia; lower unit values for hides & skins

## Initial FY 2003 Projections

### Key Upside Developments

- Recovery in Russian poultry market
- Higher vol for beef exports; higher prices for beef & pork

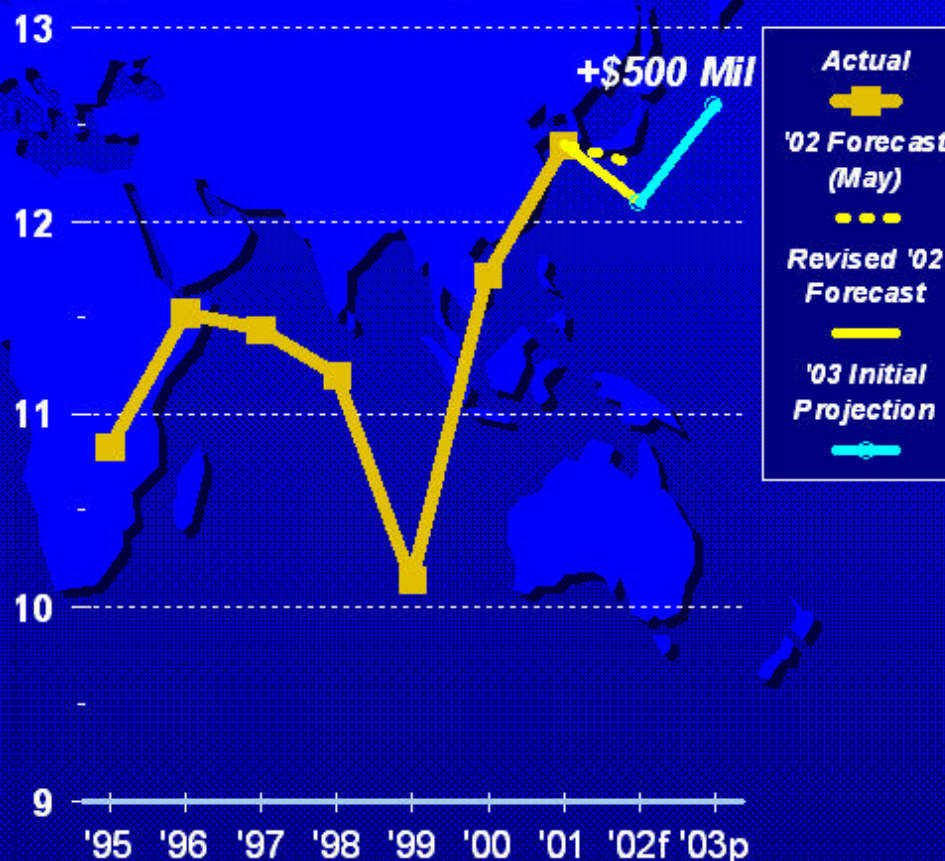
### Key Downside Developments

- Continued weakness in Japanese beef market

### Wild Cards

- EU & Brazil beef exports post FMD crisis

Dairy, Livstk, Poultry Exports (\$Bil)





# Export Outlook for Horticultural Products

Revised Forecast for FY 2002:

Unchanged at \$11.2 Billion

Initial Projection for FY 2003:

\$11.5 Billion

## Initial FY 2003 Projections

### Key Upside Developments

- Tree nut exports forecast at \$1.4 billion due to large crop and stable demand
- Stronger global demand and a weaker dollar should boost overall sales

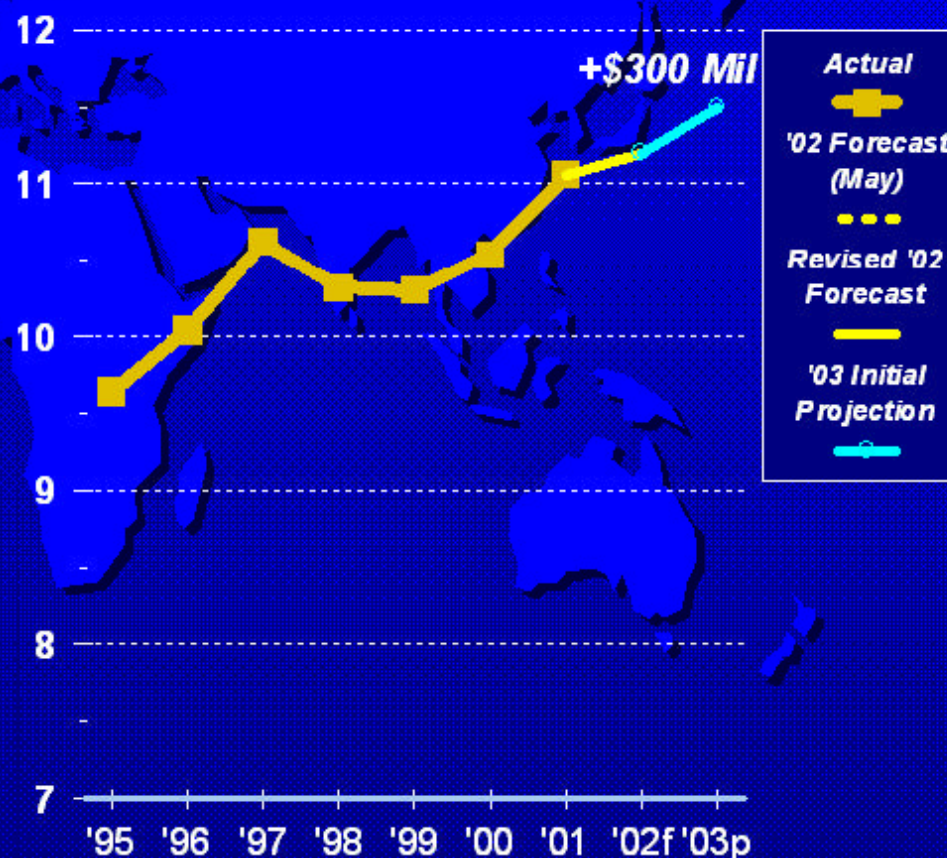
### Key Downside Developments

- Smaller Florida orange crop may lower orange juice exports

### Wild Cards

- Apple exports to Mexico may drop following the imposition of anti-dumping duties; potential for Mexico to take other trade-limiting actions
- Global economy/exchg rates

U.S. Hort. Product Exports (\$Bil)





Unofficial  
Estimate

# Export Outlook for Fishery Products

Revised Forecast for FY 2002:  \$100 Million to \$3.0 Billion

Initial Projection for FY 2003: \$3.1 Billion

## Revised FY 2002 Forecast

### Key Developments

- Reduced pollock roe prices
- Poor sockeye salmon harvest
- Growing gap between EU demand and EU fish harvests

## Initial FY 2003 Projections

### Key Upside Developments

- Slowdown of Chilean salmon production should help improve salmon prices

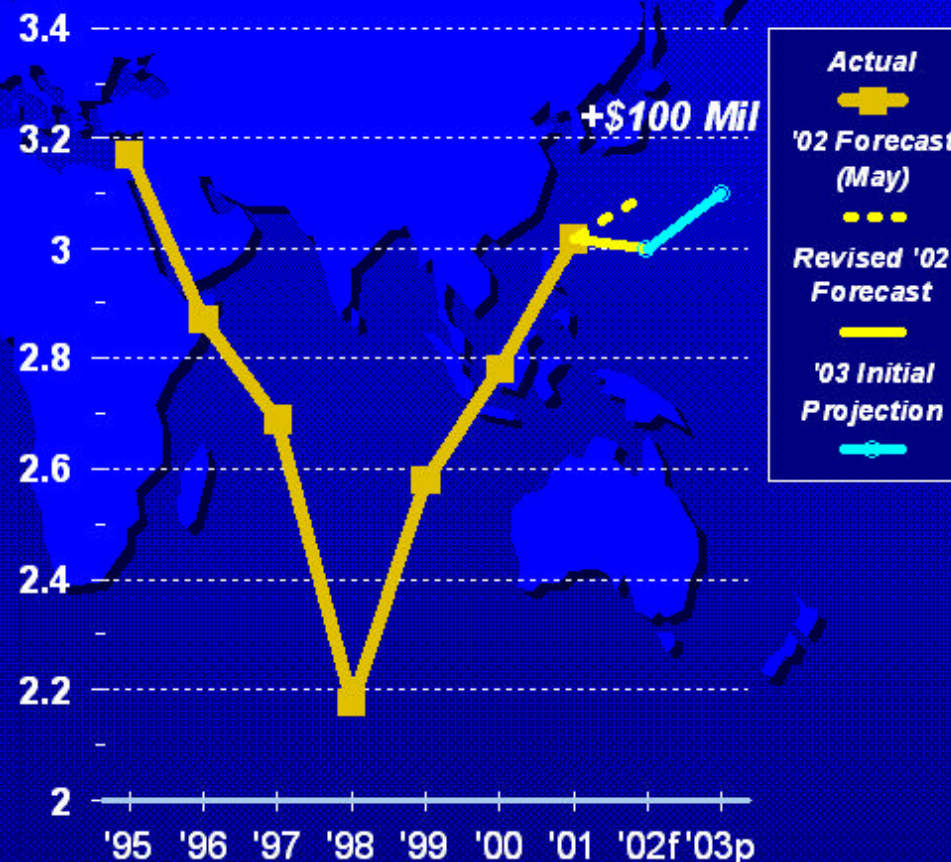
### Key Downside Developments

- Low pollock roe prices

### Wild Cards

- Size of US harvests for pollock, salmon & other species

U.S. Fishery Product Exports (\$Bil)





Unofficial  
Estimate

# Export Outlook for Solid Wood Products

Revised Forecast for FY 2002:

Unchanged at \$4.8 Billion

Initial Projection for FY 2003:

\$4.7 Billion

## Revised FY 2002 Forecast

### Key Developments

- Less hardwood lumber to EU offset by increased logs to China

## Initial FY 2003 Projections

### Key Upside Developments

- Increased hardwood and softwood lumber to EU on strengthening interiors market

### Key Downside Developments

- Japan's regulations favor kiln-dried lumber, causing continued decline in logs
- Hardwoods to Mexico down

### Wild Cards

- US AD/CVD to increase Canada's competitiveness in softwood lumber

U.S. Forest Product Exports (\$Bil)

